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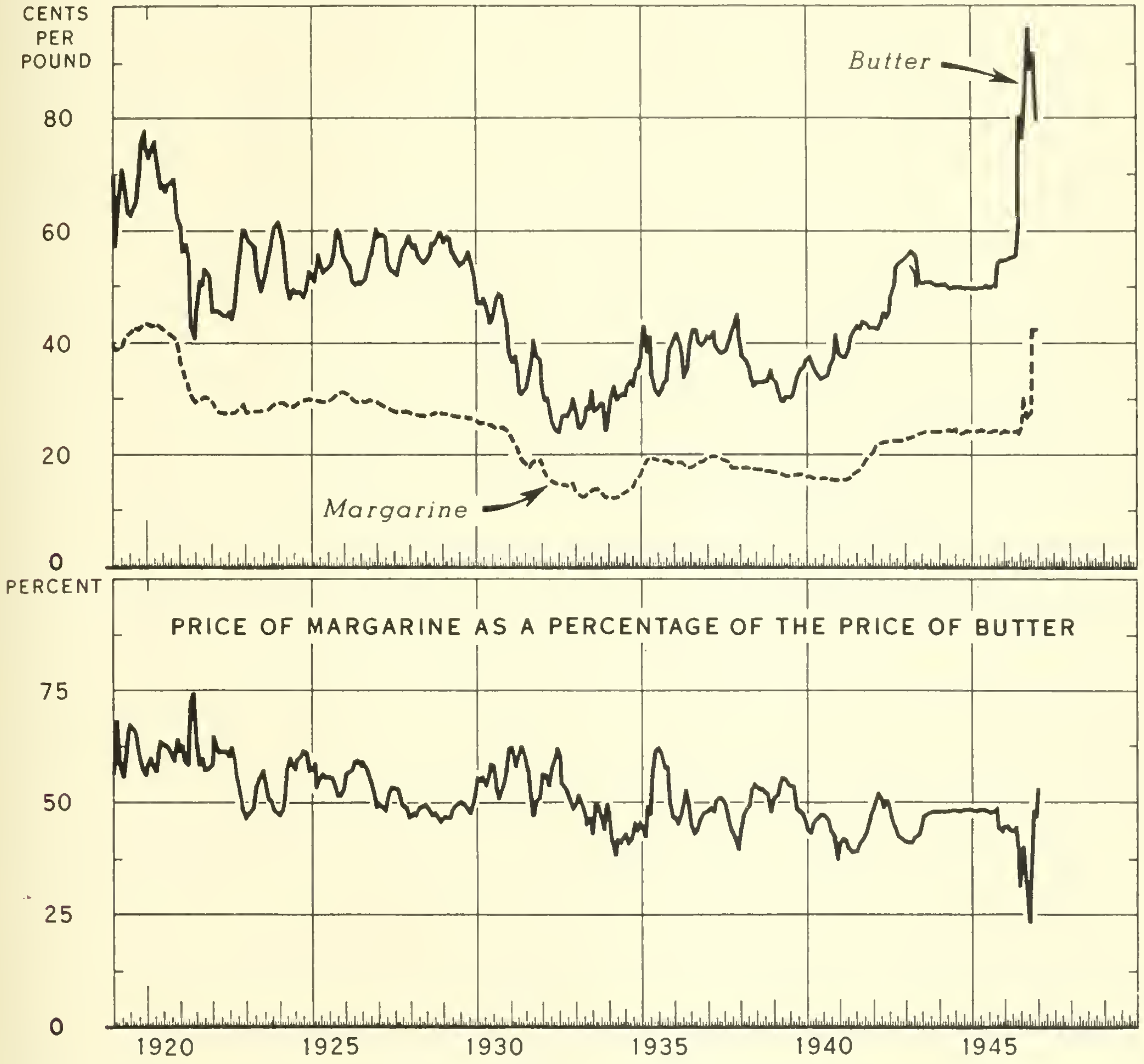
THE Fats and Oils SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

FOS - 116 BAE MARCH 1947

BUTTER AND MARGARINE: RETAIL PRICE PER POUND IN LEADING CITIES, UNITED STATES, 1919-46



PRICE OF MARGARINE AS A PERCENTAGE OF THE PRICE OF BUTTER

PRICES FROM BUREAU OF LABOR STATISTICS

U. S. DEPARTMENT OF AGRICULTURE NEG 46324 BUREAU OF AGRICULTURAL ECONOMICS

Before the war, the price of oleomargarine fluctuated between 40 percent and 65 percent of the price of butter, averaging about 50 percent. Butter prices advanced rapidly in the summer and fall of 1946 following removal of ceilings. Ceilings on margarine remained in effect until mid-October 1946. When these were removed, margarine prices also advanced. The price of margarine is again about 50 percent of the price of butter.

Table 1.- Wholesale price per pound of fats, oils, and glycerin at specified markets, and index numbers of prices of fats and oils, February 1945 and 1946, December 1946, January and February 1947

PRICES

Item	February		December	1947	
	1945	1946	1946	January	February
	Cents	Cents	Cents	Cents	Cents
Butter, 92-score, Chicago	41.5	46.5	80.1	66.1	68.8
Butter, 92-score, New York	42.2	47.2	81.8	67.1	71.3
Oleomargarine, dom. veg., Chicago	19.0	19.0	36.0	37.0	37.8
Shortening, cottonseed, hydrogenated, 10-drum lots, N. Y.	17.8	17.8	33.0	33.0	35.0
Shortening, cont. animal fat, 1-lb. cartons, Chicago	17.0	17.0	31.9	33.6	34.2
Lard, loose, Chicago	12.8	12.8	23.3	24.1	27.4
Lard, prime steam, tierces, Chicago	13.8	13.8	25.2	26.0	28.6
Lard, refined, 1-pound cartons, Chicago	15.6	15.6	27.4	26.3	30.4
Oleo oil, extra, tierces, Chicago	13.0	13.0	34.8	27.6	28.1
Oleostearine, bbl., N. Y.	10.5	10.5	---	---	---
Tallow, edible, Chicago	9.9	9.9	24.0	23.5	24.2
Corn oil, crude, tanks, f.o.b. mills	12.8	12.8	27.1	27.5	30.6
Corn oil, edible, returnable drums, l.c.l., New York	16.6	16.6	35.5	33.6	36.1
Cottonseed oil, crude, tanks, f.o.b., S. E. mills	12.8	12.8	27.0	28.8	32.8
Cottonseed oil, p.s.y., tank cars, N. Y.	14.3	14.3	1/22.3	1/31.5	1/35.1
Peanut oil, crude, tanks, f.o.b. mills	13.0	13.0	27.6	29.2	32.1
Peanut oil, refined, edible (white), drums, N. Y.	16.5	16.5	35.5	33.4	35.8
Soybean oil, crude, tank cars, midwestern mills	11.8	11.8	24.6	26.0	28.4
Soybean oil, edible, drums, l.c.l., N. Y.	15.3	15.4	32.0	32.3	33.5
Sunflower oil, semi-refined, tank cars, f.o.b. N. Y.	14.3	14.3	---	---	---
Babassu oil, tanks, N. Y.	11.1	11.1	---	---	---
Coconut oil, Manila, crude, tank car lots, Pacific Coast 2/.	3/11.0	3/11.0	21.8	21.8	23.3
Olive oil, imported, edible, drums, N. Y.	---	---	112.5	109.1	96.7
Olive oil, California, edible, drums, N. Y.	60.7	60.7	---	---	---
Palm oil, Congo, crude, bulk, N. Y.	8.4	8.4	21.0	21.0	22.0
Rapeseed oil, refined, denatured, bulk, N. Y.	4/11.6	13.0	30.0	5/32.0	32.0
Tallow, inedible, prime, or extra, carlots, Chicago	8.6	8.6	21.8	21.8	22.7
Tallow, No. 1, inedible, Chicago	8.4	8.4	21.3	21.3	22.2
Grease, A White, Chicago	8.8	8.8	21.7	21.7	22.4
Menhaden oil, crude, tanks, f.o.b. Baltimore	8.9	8.9	5/21.5	18.5	18.5
Menhaden oil, light pressed, tanks, N. Y.	12.2	12.2	28.0	28.0	28.0
Sardine oil, crude, tanks, Pacific Coast	8.9	8.9	23.5	23.5	23.5
Cottonseed-oil foots, raw (50% T.F.A.) delivered, East	3.6	3.6	8.5	8.5	8.5
Linseed oil, raw, tank cars, Minneapolis	14.3	14.3	34.8	36.0	38.4
Linseed oil, raw, drums, carlots, N. Y.	15.1	15.5	35.9	36.6	37.8
Oiticica oil, drums, f.o.b., N. Y.	21.9	24.7	34.4	35.0	35.4
Tung oil, drums, carlots, N. Y.	39.1	39.2	39.5	39.5	39.1
Castor oil, No. 3, bbl., N. Y.	13.8	14.0	29.8	31.2	32.4
Castor oil, No. 1, tanks, N. Y.	13.0	13.3	29.0	30.5	30.5
Castor oil, dehydrated, tanks, N. Y.	17.8	18.0	38.0	37.7	38.2
Cod-liver oil, med. U.S.P., bbl., N. Y.	30.6	35.2	41.7	41.3	41.0
Cod oil, Newfoundland, drums, N. Y.	11.5	11.9	---	---	---
Degras, common, barrels, N. Y.	11.0	11.0	11.0	11.0	11.0
Neat's-foot oil, pure, carlots, barrels, N. Y.	18.2	16.0	---	---	---
Glycerin, soaplye, basis 80%, tanks, N. Y.	10.0	11.5	42.5	42.5	42.5
INDEX NUMBERS (1935-39 = 100)					
Eight domestic fats and oils (1910-14 = 100)	142	152	281	261	280
Eight domestic fats and oils (.72*)	140	150	278	257	276
All fats and oils (27 items) (.73*)	148	156	286	270	284
All fats and oils, except butter (26 items) (.82*)	155	155	302	318	338
Grouped by origin:					
Animal fats (.69*)	139	152	272	241	252
Marine animal oils (.77*)	170	171	6/486	6/ 465	6/465
Vegetable oils, domestic (.84*)	160	160	321	355	388
Vegetable oils, foreign (.88*)	177	176	316	332	330
Grouped by use:					
Butter (.67*)	139	157	270	225	234
Butter, seasonally adjusted (.67*)	134	151	245	222	227
Lard (.78*)	135	135	246	254	279
Other food fats (.84*)	168	168	321	351	374
All food fats (.71*)	145	156	279	256	270
Soap fats (.80*)	150	150	320	338	351
Drying oils (.85*)	175	174	351	356	367
Miscellaneous oils (.71*)	154	159	317	334	344
All industrial fats and oils (.82*)	160	160	333	345	357

Prices compiled from Oil, Paint and Drug Reporter, The National Provisioner, The Journal of Commerce (New York), and reports of Production and Marketing Administration, and Bureau of Labor Statistics. Excise taxes and duties included where applicable. Index numbers of earlier years beginning 1910 are given in Technical Bulletin No. 737 (1940) and The Fats and Oils Situation beginning December 1940. 1/Nearby futures. 2/Three-cent processing tax added to price as originally quoted. 3/Bulk, c.i.f. 4/New Orleans. 5/One quotation. 6/Applies to sardine and menhaden oils only.

* Multiply by this factor to convert current index number (1935-39 = 100) to old basis (1924-29 = 100).

THE FATS AND OILS SITUATION

Approved by the Outlook and Situation Board March 20, 1947

Special to this issue:
Current Trends in Oleomargarine (Pages 7-10)

SUMMARY

Production of fats and oils from domestic materials is likely to be substantially larger in the year beginning October 1947 than in the current marketing year. High prices for flaxseed and soybeans in relation to grain prices will lead to increased acreages, especially of flaxseed. Farmers' intentions March 1 indicated an increase of 70 percent in flaxseed acreage and 6 percent in soybean acreage for 1947. Hog prices also are high, and an expansion in hog production is probable. This will mean an increase in lard and grease output in 1947-48.

Present high world prices for fats and oils probably will accelerate recovery in world output of oils and oil-bearing materials. This may result in increased net imports of fats and oils into the United States.

Prices of fats, oils, and oilseeds are expected to decline from the present exceptionally high level by late summer or fall. Supplies will be larger in the next marketing year. In addition general business activity is expected to be somewhat lower in late 1947 than at present. However, prices at the end of the year are likely to average above the wartime level.

Total production of oleomargarine in 1946 was 572 million pounds, 7 percent less than in 1945 but 61 percent more than the 1937-41 average. Although use of fats and oils in the production of oleomargarine for civilians was restricted during the first 9 months of 1946, output for civilians for the entire year totaled 571 million pounds, slightly more than in 1945 and the largest on record. Output per civilian declined slightly from 1945 because of the addition of returning servicemen to the civilian population. Exports of margarine in 1946 were 59 million pounds, considerably less than a year earlier but much above prewar.

(For release March 27, a.m.)

OUTLOOK

Domestic Production of Fats to Increase Next Fall; World Export Supplies Increasing

Present high prices will encourage farmers to expand acreages of flaxseed and soybeans and hog production this year. If growing conditions are favorable, United States output of vegetable oils, lard, and grease will increase materially in the latter part of 1947, when the new oilseed crops and hogs from the spring pig crop begin to reach market.

Market prices for oilseeds and for hogs were at or near record levels in mid-March. Flaxseed, at $8.50 per bushel, Minneapolis, was the highest on record and was more than 3 times the price of wheat at Minneapolis compared with a 10-year average of 1.9 times the price of wheat. Soybean prices were over $4.00 per bushel f.o.b. country track in Illinois and Indiana, also a new record high. The soybean-corn ratio in mid-March was about 2.4 to 1, Chicago basis, compared with a 10-year average of 1.7 to 1. Hogs at Chicago in the first week of March averaged $28.00 per 100 pounds, the highest on record. The hog-corn ratio, based on Chicago prices, was 18 to 1 compared with a long-time average of about 12 to 1.

On the basis of farmers' intentions about March 1, planted acreage of flaxseed this year may be about 4.5 million acres, 70 percent more than the 2.6 million acres planted last year. A 6-percent increase in the acreage of soybeans grown alone for all purposes also is likely. The indication for 1947 is 12.2 million acres compared with 11.5 million acres in 1946. The acreage of peanuts to be grown alone for all purposes in 1947 is indicated at 3.8 million acres compared with 3.9 million acres last year.

World production of fats and oils for export also is being stimulated by high world prices and strong world demand. World prices for copra, castor beans, peanuts, tung oil, and linseed oil are at record or near-record levels. Supplies available in 1947 for import into North America and Europe from other areas are estimated at about 6 billion pounds, approximately 1.5 billion pounds more than in 1946. But 14 billion pounds are needed to restore consumption per person to prewar levels. A steady increase in world export supplies is expected during 1947 and 1948, but world production will not be large enough to support the prewar level of consumption per person in Europe before 1950.

Decline in Prices Probable by Late Summer or Fall of 1947

Prices of fats, oils, and oilseeds are likely to decline in late summer or fall. Increased production of fats and oils will tend to depress prices. In addition, general business activity in the United States may slacken causing consumer and industrial demand to decline. However, flaxseed prices will be supported at $6.00 per bushel, Minneapolis basis. The highest previous support was $3.60 per bushel, for the 1946 crop. Prices to farmers for soybeans will be supported at $2.04 per bushel (for No. 1 or No. 2 green or yellow varieties). This equals the highest support during the war. Prices for farmers' stock peanuts are to be supported at 90 percent of the parity price at the beginning of the harvesting period next summer. Ninety percent of the parity price of peanuts in mid-February was 9.54 cents per pound. The support price for peanuts produced in 1946 is 8.6 cents per pound, the highest peanut support to date.

Strong demand and low inventories are likely to hold prices of fats and oils at high levels through the spring and early summer. Although both domestic production and imports of fats and oils will be moderately larger in the first 6 months of 1947 than a year earlier, the increase is not likely to be large enough to offset the reduction in the January 1 inventory. Domestic disappearance of oils and fats since last October apparently has been large despite the relatively small total supply available for the 1946-47 marketing year.

Most of the domestic vegetable oil still to be produced from 1946-crop oilseeds has been sold by crushers. The few current sales are at record prices. Factory and warehouse stocks of edible vegetable oils on February 1 totaled only 519 million pounds, 312 million pounds less than a year earlier (table 6). Prices of vegetable oils have risen about 9 cents per pound since late December. Soybean oil (crude, tank cars, mills) was quoted at 34 cents per pound on March 14.

Prospective drying oil supplies for January-June are somewhat below the level of the first half of 1946, despite the recent purchase of 88 million pounds of Argentine linseed oil, all of which should arrive in the United States before July 1. Total supplies of lard available for use in the United States and of fats to be used in soap will be approximately the same as a year ago. The supply of butter is materially larger than a year ago as a result of a sharp increase in creamery butter output. High prices of edible vegetable oils and drying oils will tend to keep prices of other fats and oils high.

RECENT DEVELOPMENTS

Price Trend Continues Upward

Prices of nearly all fats and oils continued to increase during February and early March. The index number of wholesale prices of 27 major fats and oils rose from 270 percent of the 1935-39 average in January to 284 percent in February (Table 1). However, this was still 12 points below the November 1946 peak. The largest price gains in recent weeks were made by edible vegetable oils. Cottonseed oil (crude, mills) rose from 27 cents per pound in December to 36 cents in mid-March. Soybean oil advanced from 25 cents to 34 cents. The price of lard also increased although there was a substantial increase in lard stocks during January (Table 6). Lard prices advanced from 23 cents in December to 31 cents on March 14. Price gains of about 5 cents were made during this period by inedible tallow, greases, coconut oil, and linseed oil. Tung oil prices declined slightly, reflecting large arrivals of tung oil from China in January and February.

Prices received by farmers for soybeans, flaxseed, and peanuts were slightly higher in mid-February than a month earlier (Table 7). In the first half of March, market prices of flaxseed, soybeans, and peanuts rose sharply. Flaxseed at Minneapolis sold for $8.50 per bushel on March 14 compared with $7.25 per bushel a month earlier. Soybeans f.o.b. country track in the Chicago area were quoted at around $4.10 per bushel on March 14, up approximately $1.00 from mid-February. The price of shelled peanuts in the Southeastern section in mid-March was 17 to 17.5 cents per pound, 2.5 cents higher than in mid-February.

Table 2.-Wholesale prices per pound of specified fats and oils, March 14, 1947, with comparative data

Item	Monthly Average			
	December 1946	January 1947	February 1947	March 14 1947
	Cents	Cents	Cents	Cents
Butter, 92-score, Chicago	80.1	66.1	68.8	70.0
Lard, prime steam, tank cars, Chicago	23.3	24.1	27.4	31.0
Cottonseed oil, crude, tank cars, S. E. mills	27.0	28.8	32.8	36.0
Soybean oil, crude, tank cars, Midwest mills	24.6	26.0	28.4	34.0
Peanut oil, crude, tank cars, S. E. mills	27.6	29.2	32.1	36.0
Corn oil, crude, tank cars, Midwest mills	27.1	27.5	30.6	36.0
Tallow, inedible, fancy, Chicago	22.0	22.1	22.9	27.0
Sardine oil, crude, tank cars Pacific Coast	23.5	23.5	23.5	23.5
Coconut oil, Manila, crude, tank cars, Pacific Coast 1/	21.8	21.8	21.8	26.5
Linseed oil, raw, tank cars, Minneapolis	34.8	36.0	38.4	39.0
Castor oil, No. 3, drums, carlots, N.Y.	29.8	31.2	32.4	N.A.
Tung oil, tank cars, Pacific Coast	38.0	37.9	37.5	37.5

Compiled from reports of USDA, Chicago Journal of Commerce, and Oil, Paint, and Drug Reporter.

1/ Three cents added to allow for tax on first domestic processing.

Details of 1947 Support Price for Soybeans Announced

Prices to farmers for soybeans produced in 1947 will be supported at the same level as in the two previous crop years--$2.04 per bushel for No. 1 or No. 2 green and yellow soybeans, 14 percent moisture content, with differentials for variations from this standard. The support prices of black, brown, or mixed soybeans is 20 cents per bushel less than for green and yellow varieties. Prices will be supported by CCC loans and purchases. Loans will be offered at support levels. Purchases will be made by CCC if necessary to maintain prices at support levels.

A 1947 goal of 11,244,000 acres of soybeans to be harvested for beans was announced January 14. This is 56,000 acres less than the tentative goal announced last November but is 1,638,000 acres more than were harvested in 1946.

Import Controls on Tung Oil Discontinued

Import controls on tung oil were removed February 28 by Amendment 21 to War Food Order 63. Importers are no longer required to obtain licenses to import tung oil. The International Emergency Food Council is no longer suggesting international allocations of tung oil.

CURRENT TRENDS IN OLEOMARGARINE

Production and Exports of Margarine Reduced in 1946; Domestic Consumption Continues High

Production of oleomargarine in the United States in 1946 totaled 572 million pounds, 7 percent less than a year earlier but 61 percent more than the 1937-41 average. The decline from 1945 reflected procurement for export and for use by the armed forces. Movement of margarine into civilian trade channels increased slightly. However, disappearance per person declined from 4.0 pounds in 1945 to 3.8 pounds in 1946 (table 4), because of the large increase in the civilian population in 1946.

Exports of margarine totaled 50 million pounds in 1946 compared with 76 million pounds in 1945. Exports to UNRRA countries in 1946 totaled 33 million pounds, but this was substantially less than the lend-lease shipments of about 70 million pounds in 1945. Besides the UNRRA shipments, mainly to Poland and Italy, 1946 exports included 13 million pounds to France and 2 million pounds to British armed forces stationed outside the United Kingdom. About 90 percent of the margarine exported in 1946 was sold to UNRRA or foreign governments by the U. S. Department of Agriculture. During the year USDA stocks of margarine were reduced about 20 million pounds to 4 million pounds.

The armed forces procured only 6 million pounds of margarine in 1946, compared with 14 million pounds a year earlier. Most of this margarine was used to feed prisoners of war, most of whom were returned to their home countries by mid-1946. The American Red Cross did not purchase any margarine from USDA in 1946. In 1945, the Red Cross bought 4 million pounds through USDA to include in food packages for Americans held as prisoners of war.

Table 3.-Tax-paid withdrawals of oleomargarine for consumption in the United States and territories, 1937-46 1/

Period	Average 1937-41	1942	1943	1944	1945	1946
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Jan.-Mar.	97	97	162	128	161	136
Apr.-June	80	73	76	94	120	118
July-Sept.	80	77	115	111	112	110
Oct.-Dec.	95	117	147	163	130	166
Year	352	364	500	496	523	531

Compiled from reports of the Bureau of Internal Revenue. Yearly total computed from unrounded numbers.

1/ Tax-paid withdrawals are a close indication of movement of oleomargarine into civilian trade channels. The only corrections necessary, which are slight, are to deduct shipments to territories and to add U. S. Government withdrawals for use in institutions.

Disappearance of margarine into civilian trade channels in 1946 totaled 531 million pounds compared with 522 million pounds a year earlier. Production of margarine for civilians was restricted from October 1942 through September 1946 by War Food Order 42, which set manufacturers' quotas on the use of fats and oils in civilian margarine. In January-March 1945, these quotas were 110 percent of use in the corresponding quarter of 1944, but on April 1, 1945 the percentage was reduced to 95 percent and was maintained at that level until controls were ended in October 1946. Because of the quota restrictions, movement of margarine into civilian trade channels in January-March 1946 was 16 percent less than a year earlier, and in April-September 1946 was nearly the same as a year earlier. With control ended, production for civilians in October-December 1946 was 28 percent larger than in October-December 1945 and the largest for any quarter of record.

Consumption of Colored Margarine Remains at Relatively High Level

About 18 million pounds of colored oleomargarine moved into civilian trade channels in 1946 compared with 20 million pounds in 1945 and less than one million pounds annually before the war. A wide difference between butter and margarine prices encourages the sale of colored margarine. The average retail price of butter in leading cities of the United States in 1946 was 71 cents per pound, 43 cents per pound higher than the average price of uncolored margarine. Colored margarine is priced about 10 cents per pound higher than uncolored margarine. The Federal tax on manufacturers' sales of colored margarine is 10 cents per pound compared with a quarter of a cent per pound on the uncolored product. Hence the average difference between retail prices of butter and colored margarine in 1946 probably was about 33 cents per pound, compared with 16 cents in 1945 and 10 cents before the war. In January 1947 the difference between the price of butter and colored margarine was about 27 cents per pound. Though use of colored margarine has increased rapidly since 1941, it amounted in 1946 to only 3 percent of total civilian use of margarine.

Cottonseed and Soybean Oils Continue As Leading Margarine Ingredients

Again in 1946 cottonseed oil was the leading oil used in oleomargarine, with soybean oil a close second (table 5). The relative quantities of fats and oils to be used in margarine in the first 9 months of 1946 was determined largely by allocations of edible oils to manufacturers under War Food Order 29. When controls were ended in October, use of cottonseed oil increased more rapidly than use of soybean oil. Margarine manufacturers used only 1 percent more cottonseed oil than soybean oil in January-September, but 37 percent more in October-December. Use of soybean oil in margarine probably will remain relatively large during the remainder of the 1946-47 marketing year, because of the small output of cottonseed oil and large production of soybean oil this year.

Coconut oil was used in late 1946 in margarine procured by the Department of Agriculture for export. This was the first use of coconut oil in margarine since June 1942. Other fats used in margarine in 1946 included peanut oil and corn oil. Use of animal fats and oils declined to 2 percent of the total quantity of all fats and oils used, compared with 4 percent in 1945.

Table 4.- Production, withdrawals, and domestic disappearance of oleomargarine; and domestic disappearance of butter, United States, 1937-46

Item	Average 1937-41	1942	1943	1944	1945 1/	1946 1/
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Production, as reported by the U. S. Department of Agriculture: 2/						
Vegetable and nut oil margarine	310,303	366,865	556,409	539,237	580,005	554,798
Combined animal and vegetable margarine	41,557	56,412	53,722	44,529	33,978	17,854
Total	351,861	423,277	610,131	583,766	613,983	572,652
Production, as reported by the Bureau of Internal Revenue: 2/						
Uncolored	351,910	361,262	497,601	480,607	514,429	513,435
Colored	2,382	64,488	116,543	107,606	98,852	58,080
Total	354,292	425,749	614,144	588,214	613,279	571,514
Withdrawals:						
Tax-paid for consumption in the United States and territories -						
Uncolored	351,948	362,730	494,886	480,029	503,032	512,620
Colored	475	977	5,119	16,008	20,296	18,053
Total	352,424	363,707	500,004	496,037	523,327	530,672
Tax-free for U. S. Government -						
Uncolored	2	7	161	36	7,863	1,468
Colored	1,105	60,041	110,278	90,792	66,526	32,562
Total	1,107	60,148	110,439	90,828	74,389	34,030
Tax-free for export -						
Uncolored	1	10	---	128	4,908	126
Colored	790	3,276	572	1,258	11,964	7,149
Total	791	3,286	572	1,386	16,872	7,274
All withdrawals:						
Uncolored	351,951	362,747	495,047	480,193	515,803	514,214
Colored	2,370	64,393	115,968	108,058	98,786	57,764
Total	354,322	427,140	611,015	588,251	614,591	571,976
Domestic disappearance (civilian and military; actual weight of product):						
Oleomargarine, total	352,691	363,000	504,000	501,000	536,000	537,000
	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds
Oleomargarine, per person	2.7	2.7	3.7	3.6	3.8	3.8
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Butter, total	2,195,000	2,216,000	1,778,000	1,855,000	1,647,000	1,503,000
	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds
Butter, per person	16.7	16.4	12.9	13.4	11.7	10.6
Disappearance into civilian trade channels (actual weight of product):						
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Oleomargarine, total	352,691	363,000	502,000	498,000	522,000	531,000
	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds
Oleomargarine, per person	2.7	2.7	3.9	3.9	4.0	3.8
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Butter, total	2,178,000	2,071,000	1,515,000	1,543,000	1,410,000	1,460,000
	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds
Butter, per person	16.6	15.7	11.7	11.9	10.9	10.5

Withdrawals from reports of the Bureau of Internal Revenue.

Domestic disappearance, disappearance into civilian trade channels plus procurement for use of armed forces (USDA).

Disappearance into civilian trade channels, tax-paid withdrawals for consumption in the United States and Territories (Bureau of Internal Revenue) minus shipments to Territories (Bureau of the Census) plus tax-free withdrawals for use in Government institutions (Bureau of Internal Revenue 1937-41, estimated 1942-46).

Totals computed from unrounded numbers.

1/ Preliminary.

2/ Production reports to the Bureau of Internal Revenue are required by law and are considered to be more accurate than reports to USDA, which are voluntary. The latter, however, show separately the quantity produced from vegetable oils only and the quantity produced partly from animal oils and fats.

Table 5.- Oleomargarine: Materials used in manufacture, United States, 1937-46

Item	Quantity						Percentage of total use of fats and oils					
	Average 1937-41	1942	1943	1944	1945	1946	Av. 1937-41	1942	1943	1944	1945	1946
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	Per-cent	Per-cent	Per-cent	Per-cent	Per-cent	Per-cent
Domestic vegetable oils:												
Cottonseed oil 1/	136,206	166,703	252,194	215,034	254,059	222,830	47.4	48.2	50.5	44.9	50.9	47.9
Soybean oil 1/	61,052	133,346	198,030	211,143	206,718	200,732	21.3	38.5	39.6	44.1	41.4	43.1
Peanut oil	2,572	920	4,564	12,295	10,215	13,794	.9	.3	.9	2.6	2.1	3.0
Corn oil	780	1,690	5,828	11,480	9,174	6,589	.3	.5	1.2	2.4	1.8	1.4
Linseed oil	---	---	4,280	413	---	---	---	---	.9	.1	---	---
Vegetable-oil stearine 2/	2	---	186	1,167	---	---	3/	---	3/	.3	---	---
Total	200,612	302,659	465,082	451,532	480,166	443,945	69.9	87.5	93.1	94.4	96.2	95.4
Animal fats:												
Oleo oil	14,060	22,495	17,236	11,938	8,841	2,545	4.9	6.5	3.4	2.5	1.8	.6
Neutral lard	3,593	8,133	1/10,726	1/9,722	5,786	2,058	1.3	2.3	2.1	2.0	1.2	.4
Oleostearine	3,234	2,919	3,448	3,079	2,510	2,086	1.1	.8	.7	.7	.5	.4
Oleo stock	1,414	3,940	2,819	2,092	1,304	335	.5	1.1	.6	.4	.3	.1
Other 4/	58	204	480	128	24	18	3/	.1	.1	3/	3/	3/
Total	22,359	37,691	34,709	26,959	18,465	7,042	7.8	10.8	6.9	5.6	3.8	1.5
Foreign vegetable oils:												
Coconut oil	50,682	3,491	---	---	---	5/14,508	17.6	1.0	---	---	---	5/3.1
Babassu oil	9,438	332	---	---	---	---	3.3	.1	---	---	---	---
Palm-kernel oil	2,824	---	---	---	---	---	1.0	---	---	---	---	---
Palm oil 1/	1,233	1,409	---	---	---	---	.4	.4	---	---	---	---
Sunflower oil	---	782	---	1	6	---	---	.2	---	3/	3/	---
Rice and sesame oils	14	---	---	---	---	---	3/	---	---	---	---	---
Total	64,192	6,014	---	1	6	14,508	22.3	1.7	---	---	3/	3.1
Total fats and oils	287,163	346,364	499,791	478,492	498,637	465,495	100.0	100.0	100.0	100.0	100.0	100.0
Other materials:												
Milk	66,591	74,875	104,389	101,642	105,002	96,046						
Salt	14,558	13,931	19,732	19,201	19,098	17,789						
Derivative of glycerin	941	823	1,054	922	1,064	1,009						
Lecithin	114	278	503	556	662	688						
Monostearine	48	187	403	440	478	497						
Soda (benzoate of)	144	215	368	376	398	391						
Vitamin concentrate	18	88	121	109	120	103						
Color	2	42	83	69	96	37						
Estearine	---	---	---	93	115	71						
Miscellaneous	1	23	18	17	19	14						
Total	82,417	90,462	126,671	123,425	127,052	116,645						
Total, all materials	369,581	436,826	626,462	601,917	625,689	582,140						

Computed from monthly data published in Internal Revenue Bulletin.

1/ Includes small quantities of stearine and flakes.
2/ Kind not specified.
3/ Less than 0.05 percent.
4/ Includes beef fat, oleostearine oil, and tallow.
5/ Used in oleomargarine for export.

Table 6 .- Fats and oils, including oleomargarine and shortening: Factory production from domestic and imported materials, and factory and warehouse stocks at end of month, January 1947, with comparative data

Items grouped by major use	Production				Stocks (crude basis)		
	1945	1946	January		January 31,1946	December 31,1946	January 31,1947
			1946	1947			
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Food fats and oils							
Butter 1/	1,362.0	1,152.3	69.5	97.3	32.1	27.9	2/18.1
Lard and rendered pork fat 3/	1,310.9	1,343.5	152.7	220.2	103.6	109.9	179.9
Oleo oil, edible animal stearine, and edible tallow	200.4	124.2	9.1	17.4	7.9	10.0	16.3
Total edible animal fats	2,873.3	2,620.0	231.3	334.9	143.6	147.8	214.3
Corn oil 4/	204.7	198.1	12.8	21.9	15.4	18.1	20.4
Cottonseed oil 4/	1,272.9	964.7	144.1	129.4	548.0	282.1	289.0
Olive oil, edible	4.1	5/ 2.1	.9	1.3	1.2	4.4	4.4
Peanut oil 4/	115.1	101.2	13.7	17.9	41.1	25.9	34.1
Sesame oil	---	---	---	---	.9	.1	.1
Soybean oil 4/	1,391.6	1,448.7	143.4	151.6	225.0	164.2	171.4
Total edible vegetable oils	2,988.4	2,714.8	314.9	322.1	831.6	494.8	519.4
Soap fats and oils							
Tallow, inedible	949.2	883.7	88.4	98.4	144.7	115.1	116.4
Grease, excluding wool grease	513.2	509.3	46.4	50.8	76.9	58.1	66.1
Palm oil 4/	---	---	---	---	31.2	15.1	9.9
Fish oil	172.2	126.9	3.3	1.2	68.0	99.5	89.7
Marine mammal oils	---	---	---	---	18.9	4.7	4.1
Olive oil, inedible and "foots"	6/	6/	---	6/	.8	.4	.4
Total slow-lathering oils	1,634.6	1,519.9	138.1	150.4	340.5	292.9	286.6
Babassu oil 4/	6/	6/	6/	---	12.0	2.1	.9
Coconut oil 4/	151.1	345.8	11.4	68.7	122.3	101.4	100.2
Palm-kernel oil 4/	5/45.1	---	---	---	20.4	.2	.1
Total lauric-acid oils	196.2	345.8	11.4	68.7	154.7	103.7	101.2
Drying oils							
Castor oil, dehydrated 7/	51.5	30.3	3.3	3.1	8.3	5.4	5.6
Linseed oil	526.0	580.1	56.0	34.8	173.7	152.1	140.9
Oiticica oil	---	---	---	---	7.6	6.4	6.8
Perilla oil	---	---	---	---	.1	8/	8/
Tung oil	8.9	5/ 6.7	1.1	1.0	6.7	16.4	21.4
Total drying oils	586.4	617.1	60.4	38.9	196.4	180.3	174.7
Other industrial oils and fats							
Neat's-foot oil	2.6	1.6	.1	.2	1.3	.8	1.0
Wool grease	17.5	20.0	1.7	1.8	4.5	6.8	6.8
Cod oil and fish-liver oils	7.4	6.9	.5	.4	10.6	12.6	13.5
Castor oil, No. 1 and No.3 9/	92.0	60.9	8.8	9.4	14.2	14.4	14.4
Rapeseed oil	---	---	---	.5	14.1	6.1	6.4
Other vegetable oils	64.8	45.4	4.7	.8	20.0	4.8	5.0
Total	184.3	134.8	15.8	13.1	64.7	45.5	47.1
Grand total, primary fats and oils 10/	8,463.1	7,952.3	772.1	928.1	1,731.4	1,264.9	1,343.4
Oleomargarine	613.3	571.5	11/44.4	12/59.8	N.A.	N.A.	N.A.
Shortening	1,440.9	1,449.1	118.8	131.8	45.7	41.3	51.4

Compiled from reports of the Bureau of the Census, except as noted. Data include stocks held by the Government in reported positions.

1/ Creamery butter production and cold-storage stocks, U. S. Department of Agriculture.

2/ Preliminary.

3/ Federally inspected production, USDA.

4/ Stocks, crude oil plus refined oil converted to crude basis by dividing by the following factors: Babassu, corn, cottonseed, palm, and palm-kernel oils, 0.93; coconut, peanut, and soybean oils, 0.94.

5/ Incomplete; partly included in "other vegetable oils".

6/ Included in "other vegetable oils".

7/ Converted to crude basis by dividing by 0.88.

8/ Less than 50,000 pounds.

9/ Estimated quantity used in manufacture of dehydrated castor oil excluded from production.

10/ Computed from unrounded numbers.

11/ Data for month of December 1945.

12/ Data for month of December 1946.

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Table 7 .-Price received by farmers and prices at terminal markets for specified oil-bearing materials and oilmeals, February 1945 and 1946, December 1946, January and February 1947

Item	Unit	February 1945	February 1946	December 1946	1947 January	1947 February
		Dollars	Dollars	Dollars	Dollars	Dollars
Babassu kernels, f.o.b. Maranhao, Brazil	Metric ton	---	---	143.00	143.00	143.00
Castor beans, Brazilian ports	Long ton	76.25	1/118.00	247.50	255.00	277.50
Copra, Philippine, c.i.f. Pacific Coast	Short ton	---	---	170.06	210.80	214.68
Cottonseed, United States average	" "	52.70	50.30	91.50	90.40	88.20
Flaxseed, No.1, Minneapolis	Bushel	3.11	3.10	7.27	7.25	---
Flaxseed, United States average	"	2.91	2.89	6.94	6.95	6.96
Peanuts, No.1 shelled, Spanish, Southeastern shipping points	100 pounds	14.25	14.25	15.18	14.88	15.38
Peanuts, United States average	" "	8.14	8.43	8.89	8.91	9.05
Soybeans, No.2, Yellow, Chicago	Bushel	2.21	---	3.12	3.21	---
Soybeans, United States average	"	2.10	2.11	2.75	2.93	3.00
				Oilseed Meals 2/		
Copra meal, Los Angeles 3/	Short ton	50.00	49.50	77.00	65.90	62.05
Cottonseed meal, 41 percent protein, Memphis	" "	48.50	48.75	80.30	69.40	62.25
Cottonseed meal, 41 percent protein, Chicago	" "	54.45	54.75	---	---	---
Linseed meal, 32 percent protein: Minneapolis	" "	45.50	45.50	84.75	86.25	84.10
Linseed meal, 34 percent protein: New York	" "	3/49.00	49.00	90.95	86.50	80.40
Peanut meal, 45 percent protein, f.o.b. Southeastern mills	" "	53.00	53.25	75.30	66.88	62.00
Soybean meal, 41 percent protein: Chicago	" "	52.00	52.00	80.70	71.90	65.40

Compiled from Oil, Paint and Drug Reporter, Daily Market Record (Minneapolis), Chicago Journal of Commerce, reports of the Bureau of Agricultural Economics, and records of Production and Marketing Administration.

1/ C.i.f. first port of arrival U. S.

2/ Bagged, carlots.

3/ Original quotations adjusted to bagged-carlots basis.